

FISCAL NOTE

HB 402 - SB 762

February 19, 2001

SUMMARY OF BILL: Amends TCA 54-5-104 relative to eminent domain as follows:.

- requires the Department of Transportation to offer to condemn *in fee simple* the entire parcel of any land containing a habitation.
- for purposes of this subsection, habitation is defined as any structure, including buildings, module units, manufactured homes, trailers, and tents, which is designed or adapted for the overnight accommodation of persons.
- offers would be made for entire tracts rather than the partials needed for construction.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$20,000,000/Highway Fund

Estimate assumes an increase in state expenditures to the Highway Fund of approximately 25%, approximately \$20,000,000 in right-of-way acquisition costs, if the department is required to purchase the entire tract of land instead of only the needed parcel.

For information purposes, the Department of Transportation acquires approximately 2,000 tracts annually to proceed with highway/bridge improvements and right-of-way acquisitions. The total property acquisition cost each year is approximately \$80,000,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director